GOOD CAUSE REASONS FOR
LATE SUBMISSIONS OF DRUG/MEDI-CAL CLAIMS

Providers must meet one of the six situations in order to qualify for good-cause exemption. All time limits and documentation requirements for a particular situation must be adhered to.

A. Situation A

Failure of the client or legal representative, due to deliberate concealment or physical or mental incapacity, to present identification as a Medi-Cal beneficiary.

1. Providers have one year from the month in which the service was rendered to identify the client as being Medi-Cal eligible on the particular date of services.

2. Given that the identification was made within the one year limitation, providers shall submit delayed billing not later than 60 days from the date the client was first identified as a Medi-Cal beneficiary.

3. The delayed bill ings must be received by the Department of Alcohol and Drug Programs, Drug/Medi-Cal (D/MC) Section within the stated time limit.

4. Documentation to be maintained by providers:

   a. Date of service.
   b. Date the client was identified as a Medi-Cal beneficiary.
   c. Documentation to be maintained by the providers may be any of the following for the month of service:

      1) Medi-Cal I.D. card
      2) MEDI label
      3) Proof of Eligibility (POE) label
      4) Any of the above indicating Kaiser, Ross-Loos or CHAMPUS coverage, when accompanied by denial of coverage or an explanation of the other coverage by that carrier.
      5) Photocopy of the Medi-Cal card or MEDI/POE labels.

B. Situation B

Billing involving other coverage, including but not limited to Medicare, Kaiser, Ross-Loos, or CHAMPUS.

1. Providers have one year after the month of service or 60 days from the date of notification that third party

payment was denied, whichever is earlier, to bill ADP for the service rendered.

2. The delayed billing must be received by ADP D/MC Section within the stated time limit.

3. Documentation to be maintained by the providers:

   a. Date of service.
   b. Notification of denial of payment by third party.

C. Situation C

Determination by the Director of the Department of Health Services that the provider was prevented from submitting bills for services within the time limitation due to circumstances beyond the provider's control; specifically, due to delay or error in the certification or determination of Medi-Cal eligibility of beneficiary by the state or county. This also applies to retroactive Medi-Cal eligibility.

1. Providers have one year from the date of service to bill ADP for services rendered.

2. The delayed billings must be 'received by ADP D/MC Section within the stated time limit.

3. Documentation to be maintained by the providers:

   a. Date of service.
   b. Copy of application of Medi-Cal benefits (e.g., SSI/SSP); copy of redetermination of eligibility.

D. Situation D

Determination by the Director of the Department of Health Services that the provider was prevented from submitting bills for services within the time limitation due to the following circumstances beyond the provider's control:

1. Damage to or destruction of the provider's business office or records by a natural disaster, including fire, flood or earthquake; or circumstances involving such disaster have substantially interfered with processing bills in a timely manner.

2. Theft, sabotage or other deliberate, willful acts by an employee.

3. Circumstances involving the retroactive

certification/recertification of the provider to participate in the D/MC program by the state, or delays by DHS in enrolling a provider.

a. The date of eligibility for new providers to participate in the Medi-Cal program is the date of certification/recertification by ADP Drug/Medi-Cal Section.

b. Certified D/MC providers who feel that the date of participation in the D/MC program should be earlier than the date of certification may request retroactive certification from DHS Performance Monitoring Section through the County Operation Chief.

* Circumstances that shall not be considered beyond the control of the provider include, but are not limited to:

- Negligence by employees.
- Misunderstanding of or unfamiliarity with Medi-Cal regulations.
- Illness or absences of any employee trained to prepare bills.
- Delays caused by U.S. Postal Services or any private delivery service.

4. Other circumstances that are clearly beyond the control of the provider that have been reported to the appropriate law enforcement or fire agency when applicable.

a. Providers have one year from the date of service to bill ADP for services rendered.

b. The delayed billings must be received by ADP D/MC Section within the stated time limit.

1) Date of service.
2) Insurance claim reports, newspaper clippings, photographs of damages, etc.

c. Documentation to be forwarded to ADP D/MC Section by the county/provider through the service area chief.

E. Situation E

Special circumstances that cause a billing delay such as a court decision or fair hearing decision.

1. Providers have two months after the date of resolution of the circumstances to bill ADP.

2. The delayed billings must be received by ADP D/MC Section within the stated time limit.

3. Documentation to be maintained by the providers:

a. Cause of the delay.

b. Resolution of the delay, including the date of resolution.

F. Situation F

Initiation of legal proceedings to obtain payment of a liable third party pursuant to Section 14115 of the Welfare and Institutions Code.

1. The provider shall have one year in which to submit the bill after the month in which services have been rendered.